

VIP LP - General Update

November 28, 2022

Existing Lease Agreements:

CVH (12 Acres): Business as usual.

Trans Mountain Pipe yard (30 Acres): Active.

Trans Mountain Camp (35 Acres): Active.

Treasures of the Forest (1.2 Acres): Active

BC Stone Corp (3 Acres): Active

Robson Valley Gourmet Mushrooms (0.2 Acres): Active

Remcan (2 acres): No Activity

Learning Center (0.2 acres+/-): Active.

Telus (1 acre): Telus working on setting up fibre optics in yard.

VCF LP (Office, Maintenance Yard, scales and scale yard): Business as usual.

Marcon Inc (Shop): Active

AAA Logging Ltd (1 acre): Active

Other:

Water reservoir is full. Roughly 10 days to fill.

Hydro pole and transformers have been installed for water pump house. The hydro lines are not connected to the pumphouse yet. Mike Dryden to install plumbing.

Rogers has expressed interest in adding a cell tower in the yard. I have given them a site and they have accepted. **VIP needs to sign documents with a Notary and send back to them.** They will then send information and move to send out public referrals.

Working on a potential lease deal with Cresa out of Texas. They are looking for small scale storage space, 1.5 acres. They truck product in the area and need a depot to store products. They want to come to the site and take a look.

Mill Update:

Hydro:

- We are having hydro issues that are stopping the mill from working in cold weather. Caputo, Justin and BC Hydro are working on issue. BC Hydro engineers are looking into problem. We believe the problem to be with BC Hydro.

General Update:

- Dust system: An engineer specializing in mill dust systems toured mill. Would like to see mill in operation before making plan. Allied Blowers.
- We have a plan for a new dust system for the Debarker. Hoping to start soon.

Building:

- Building is complete.
 - o Waiting on certification.
 - o Engineer is happy with construction.

Projects:

- Chip bins project is complete and bins are filling well.
- Overflow for chips is near completion.
- Started the process of upgrading the chipper to allow for standard teeth to be used. Current set-up is old and we can't find replacement parts. Est cost \$25,000.

General:

- VIP Staff: Darren, Sam, Darryl, Bernard and Amanda.
- VIP Contractor Staff: Al and Rob.

Marketing Updates:

Confirmed Sales:

- We have signed a 1 year chips and hog fibre agreement with Kruger out of Kamloops.
- Local farmers Institute is taking all the sawdust. A particle board plant out of Quesnel is interested in our sawdust. Waiting for a price.
- We have accepted a timber order for 3x10 and 3x12 fir and hemlock, due mid Nov. Emerson Trails Building Supplies
- We have accepted a bridge timber order due late Oct. They have asked for an additional 6600 board feet for spring which we have accepted. BCTS
- Have accepted an 8x12x14 order for Fir. Centurion
- We have accepted an order for 12 – 14x14x16 and 8 – 12x12x16 Fir. MVS

Target Sales

- Looking to acquire a 12x12 by 20 feet long order for fir timbers. Markets are out there.
- Looking to acquire a 4x6 and 6x6 order for rig mats. Hemlock
- Working with two marketing companies: Aspire and Centurion
- Market is soft for timbers and cants.

Log Inventories:

- +/-100 loads of Hemlock and Douglas fir logs at mill site targeted for mill
- Looking to sell off +/-30 of older hemlock logs. We have too much inventory of logs of the same type. We need larger diameter logs.
- We are stockpiling large diameter fir in the yard.